

Subject: Oldest Chinese bank note, A.D. 1375

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[Vienna, Austria]

1923

Vienna, December

1923.

Dear Sir,

I have the honor to inform you that I am in possession of the oldest Chinese bank note, viz. state note, dating back to A.D. 1375.

This note was issued by the Imperial mint in the eighth century of the Hung-Wu period about the year 1375, just three hundred years before the first circulation of paper money in Europe by the bank of Stockholm in 1668. Whatever doubt may attach to the priority of certain other inventions claimed by the Chinese, it is impossible to deny that they were acquainted with the art of printing many centuries before the days of Guttenberg. According to native records the art of printing was in use in China in A.D. 593 but it does not appear to have been employed in the preparation of bank notes until the ninth century. From that date notes were periodically issued until the middle of the 15th century, when the practice fell into disuse and was only revived in the first half of the last century.

It is of special interest to note that the Chinese already at that time had a very clear idea of the nature of state money. Their paper money had the three characteristic marks: 1) The paper money was always issued by the Emperor or by his Government. 2) An obligation to redeem this money existed neither in principle nor did a practical instance of this case arise in the course of 2000 years, as all the innumerable emissions lost their value and were depreciated without exception and economic and political catastrophes as a rule entailed the overthrow of the dynasties. The third distinctive mark, the compulsory rate, became evident even to the less educated classes and to the man of the people by the fact that his head was cut off if he refused to accept such a note.

The note I possess on the top bears an inscription which runs as follows: in the translation: "A generally valid note of the Tai-Ming dynasty". On each side one reads: "Note of the Tai-Ming dynasty, generally valid under heaven". In the middle an inscription in capital letters states: "One Kwan"; 1 kwan - 1000 momme or 10 strings of coins at 100 momme (1 momme about equal to 1 1/2 cents). Below the words "one Kwan" the ten strings of coins are depicted. Below that again one reads: "On the strength of a request of our finance minister the printing and coining of notes of the Tai-Ming dynasty is permitted, which notes are to be valid everywhere like copper coins. Whosoever produces forged notes is to be beheaded, and who states the names of forgers or arrests same is to receive a reward of 250 silver taels; moreover he is to get the movable and imovable estate of the culprit. On the.....day, in the month of the.....year of the Hung-Wu period". The words indicating the date of day month and year are faded to such a degree, that they cannot be deciphered. The Hung-Wu period corresponds to the years 1368-1399 of the Christian era.

It is evident also from various notes made by my late father, who died in 1903, that the date of issuance as mentioned above, must be in the eighth year of the Hung-Wu period, that is A.D. 1375.

It may be of interest to note that Marco Polo, speaking of the notes which Kublai Khan issued and which attained a great circulation says: "The great Khan had the bark of trees worked into a sort of paper

which had to be valid as money throughout the realm." According to the statements of the Venetian traveller, these notes "consisted of the bark of a certain tree, which actually is the mulberry tree, the leaves of which serve as nourishment to the silk worms and which are exceedingly frequent there so that whole districts are overgrown with these trees. They use a fine white bast, a sort of skin which lies between the timber of the tree and the thick outside bark; of this one makes leaves which resemble paper but which are black." This is an exact description of the material on which the note described is printed and it is probable that all bank notes until the ceasing of issuance in 1455 were printed on paper produced in a similar manner.

Of these notes which Marco Polo describes, none have been handed down to posterity and the note mentioned is therefore the oldest existing bank or former state note. But of this note too there only exist a very few specimens of which one is in the possession of the British Museum in London.

The note which I own was found in 1888 in Peking when a house was pulled down, and was acquired by my father, the well known numismatist Dr. Adolf Ehrenfeld of Vienna, thanks to the assistance and mediation of the Chinese and Austrian governments.

I would still mention that the investigation which Professor Karabacek of the Academy of Science of Vienna, made, concerning paper manufacture in the East, show that the Chinese as regards paper manufacture, plate printing and emission of paper notes, soon found adept imitators and scholars for in Syria, already at the end of the 12th century and in Persia under Karkatu Khan at the end of the 13th century, paper money existed. In India too, under Mahomed Tughlak about 1330 to 31, notes existed which however soon ceased to be circulated in all these countries because of the lack of sufficient metal covering for the enormous quantities of paper issued, just as was the case in China as mentioned above.

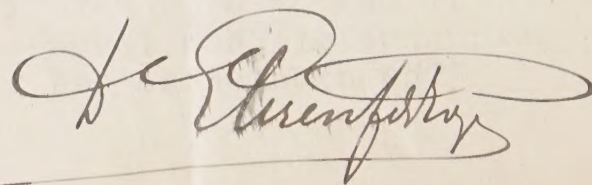
As I myself am not a collector and this interesting specimen is thus withheld from the general public, but on the other hand European collectors or Museums nowadays have not the money to acquire so valuable an object, I take the liberty of drawing your attention to it, supposing that you will perhaps either wish to purchase it or no doubt know of some patrons of your famous Museum, who would be pleased to commemorate their names by presenting the establishment with a gift of this kind.

I should be inclined - should a price approximate to the value of the note be offered me - eventually to part with it. Owing to its extreme rarity the value of this specimen may be appraised at about \$ 50,000 (Fifty Thousand Dollars).

Of course I am ready, whenever you should wish me to do so, to show the note to any expert you may designate to me. I should imagine that it would be of particular interest to America to possess a specimen of this kind, so that students of numismatics should not be forced to have to resort to the British Museum.

I should be glad to hear from you what you think of my offer and remain, dear Sir

Truly Yours



Dr. RICHARD R. V. EHRENFELD-POP
WIEN, III. UNGARGASSE 50.

R. Ehrenfeld-POP

Referred by The
Metropolitan Mu-
seum of Art to
The American Nu-
ismatic Society
15 Ja. 24

January 17th, 1924

Dr. Richard R. V. Ehrenfeld
Wien, iii, Ungargasse 50

Dear Sir:

Your letter addressed to the Metropolitan Museum has been forwarded to us for reply.

We very much doubt if you could sell your Chinese Bank Note in this country. You are probably unaware that since your Father obtained this note, a large number of these were found under a statue during the Boxer Rebellion. I personally imported fourteen of these Notes and sold them at Five Dollars each. Besides these, I imported, a number of others came to this country, and I know of at least ten in New York City, three of which are in our Museum. There are also several for sale in the States at prices ranging from \$15 to \$25.

Very truly yours,

Curator

HW/E